



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

INFORMATIONAL LETTER NO.1486

DATE: March 6, 2015

TO: Iowa Medicaid Audiologists, Birthing Centers, Certified Registered Nurse Anesthetists, Chiropractors, Clinics, Community Mental Health Clinics, Family Planning Clinics, Federally Qualified Health Centers, Hearing Aid Dealers, Independently Practicing Physical Therapists, Lead Investigation Agencies, Maternal Health Centers, Medical Equipment and Supply Dealers, Nurse Midwives, Opticians, Optometrists, Orthopedic Shoe Dealers, Physicians, Rural Health Clinics, Screening Centers, Hospitals, Dentists, Podiatrists, Pharmacies, Home Health Agencies, Independent Labs, Ambulance, Skilled Nursing Facilities, Rehab Agencies, Intermediate Care Facilities, Mental Hospitals, Community Based ICF/ID, Psychologists, Ambulatory Surgical Centers, Hospice, Clinical Social Workers, Nursing Facility-Mental ILL and Advanced Registered Nurse Practitioners

FROM: Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

RE: Proper Claim Submission for Medicare Psychiatric (psych) Reduction Copayments

EFFECTIVE: Upon Receipt

This is a reminder to all providers regarding the submission expectations for Medicare Crossover claims as described in [Informational Letter 1266](#)¹.

Effective for dates of service on or after January 1, 2014, the IME no longer recognizes the amount listed in the psych deductible field for payment because Medicare no longer imposes the "psych-reduction." Please refer to the [Medicare Crossover Invoice \(Professional\) Claim Form Instructions](#)² for the proper completion of the Professional Crossover Invoice. Providers may also submit Medicare Crossover Invoice (Professional) Claims electronically as described in [Informational Letter 1465](#).³

Prior to date of service of January 1, 2014, the "psych reduction" field should only be used for psych related services that have a PR-122 reason code on the Medicare Explanation of Medicare Benefits (EOMB). Any crossover claims for dates of service of January 1, 2014, and after that contain a dollar amount in the psych deductible field will be denied. Please

¹ <http://dhs.iowa.gov/sites/default/files/1266%20Proper%20Claim%20Submission%20for%20Medicare%20Psych%20Reduction%20Copayments.pdf>

² <http://dhs.iowa.gov/sites/default/files/Medicare%20Crossover%20Professional%20Billing%20Instructions%20030713.pdf>

³ <https://dhs.iowa.gov/sites/default/files/1465%20Electronic%20Process%20for%20Billing%20Part%20B%20Crossover.pdf>

note that all crossover claims with a date of service of January 1, 2014, and after that have an amount entered in the psych deductible field and have already paid, will be reprocessed and denied by the IME. Providers will then need to submit a correct Medicare Crossover Invoice for reprocessing to the IME.

All providers submitting paper professional claims, whose claims do not automatically crossover to Medicaid after Medicare has paid, are required to use the [Medicare Crossover Invoice \(Professional\)](#)⁴ to submit to Medicaid for payment of the Medicare coinsurance and/or deductible amounts. The Medicare EOMB must be attached to the Medicare Crossover Invoice for the charges to be considered for payment.

If you have any questions, please contact the IME Provider Services Unit at 1-800-338-7909, or locally in Des Moines at 515-256-4609 or by email at imeproviderservices@dhs.state.ia.us.

⁴ <http://dhs.iowa.gov/sites/default/files/CrossOver%20-%20Professional%20-%20Fillable%20Version.pdf>